

Jim Doyle
Governor

Roberta Gassman
Secretary



State of Wisconsin

Department of Workforce Development

OFFICE OF THE SECRETARY

201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-7552
Fax: (608) 266-1784
<http://www.dwd.state.wi.us/>
e-mail: dwdsec@dwd.state.wi.us

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Contact: Rose Lynch, DWD Director of Communications, 608-266-6753

State Agency frees up funding to upgrade Park Falls Mill

Park Falls – Wisconsin Department of Workforce Development (DWD) Secretary Roberta Gassman today announced the department has reallocated \$25,000, originally slated to cover the costs of investigating the feasibility of an employee buyout by former workers of Smart Papers, to be used instead to help apply for federal funds to develop the mill into a bio-refinery.

In March, company officials of Smart Papers announced the mill would close permanently, affecting more than 300 employees. However, Governor Jim Doyle announced last week that Flambeau River Papers, LLC of Park Falls had received a \$2 million loan from the Department of Commerce to reopen and operate the former Smart Papers Mill. The company expects to rehire 300 former Smart Papers workers when the mill is fully operational.

The City of Park Falls and the Park Falls Area Community Development Corporation (PF CDC) approached DWD with a plan to increase the economic potential of the mill by upgrading to a bio-refinery producing cellulosic ethanol and requested the \$25,000 be used to prepare a proposal for funds from the U.S. Department of Energy (DOE).

The City of Park Falls and the PF CDC plan to use the funds for technical assistance for the refinery project and application for DOE funding. The PF CDC is proposing that the upgraded paper mill would take cellulose produced by the mill and convert it into ethanol. Ethanol can then be added to gasoline as a motor fuel or used as a feedstock for a variety of chemical processes to produce other consumer and industrial products.

“Governor Doyle is committed to increasing Wisconsin’s use of renewable fuels, creating good paying jobs, controlling energy costs and making Wisconsin a leader in renewable energy. The innovative ideas brought forward by the City of Park Falls and the Park Falls Area Community Development Corporation are a great example of how we can work together to reach these goals,” said Secretary Gassman. “The paper industry is a critical part of Wisconsin’s economy and the proposed project has the potential to enrich and modernize the paper industry in this state.”

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